

January 14, 2022

Unit 101

Response to ADRE petition

When I took over bookkeeping and the HOA became self managed in May of 2019, Unit 101 had a balance owing \$1375 that including assessments from Sept 2018 and late charges from AAMG management. I believe the owner moved and did not notify the HOA of their new address for billing so they stopped paying. (see attached returned mail)

We had no way to contact them until our Treasurer at the time Silvia Petzold reached out to the tenant and got contact information. Silvia told the owner that we would waive late fees that were incurring currently (no control over fees from previous management) if they began paying on the back balance.

The first payment received toward the back balance was in September of 2019 of \$300 for indicating for Aug and Sept of 2019. They continued to make payments toward back balance for Oct and Nov 2019. No back payment was made in December toward the back balance. January another back payment was made.

In attempt to collect the debt, we were forced to reach out to legal because the owner said they will not make any more back payments until the late fees are waived. They continued to make the current assessment payment but stopped paying as agreed on the back balance. (see attached text)

Once the lawyer sent them a demand letter, the owner disputed the payments as not posted correctly. All payments were accounted for. Where there was a mistake on the ledger was that there were posting of late payments on the months that no back payment (per agreement) was made, a \$15 late fee was posted. The lawyer advised that this was not allowed, and they were removed. There was still back assessments and late fees from not paying for nearly a year that was still owed. Because of these errors, the lawyer was forced to release the lien. It doesn't release the balance owing, just the lien at the county. We still needed to obtain legal collection methods due the past assessments. The assessments were all posted correctly, and payments applied properly. The owner

knew they owed the past balance because they had not paid in almost a year but proceeded to force the attorney to review the ledger, which caused further legal fees to be charged. Had the owner kept making current payment and one back payment each month, the HOA would not have proceeded with legal action and would have considered waiving the late fees once the assessments were paid in full. Whatever ledger they received from the law firm was early on in the process and there were additional legal charges incurred.

The owner sent an email in April and said due to the current pandemic they would not be able to keep making payments. Eventually they caught the back assessments up in October of 2020, nearly 2 years after they stopped paying. But at that point there were plumbing repairs and legal fees from the collection of the debt that occurred. The ledger is correct as of this date (see attached).

The owner is expected to not pay the assessments for almost a year (sept 2018 to sept 2019) and not have any consequences such as legal fees for collection and late fees. That is not how it works. The current balance owing is \$2685.40 The board did respond that they would consider a meeting with the owner in January after the year end business was done. The board is completely volunteer and have jobs to attend to as well as board business. Before a meeting could be scheduled, the bookkeeper became ill and the president caught covid and now with this petition, its best to let a third party handle?